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This report provides weekly updates in the eight key areas identified as pillars of US government policy for victory in Iraq.

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Highlights



- Defeat the Terrorists and Neutralize the Insurgents
 Operation Koa Canyon, a combined Iraqi army and coalition force operation, began last Sunday in the western Euphrates River Valley of Al Anbar Province.
- 2. Transition Iraq to Security Self-Reliance
 The 2nd Brigade of the Iraqi Special Police Commandos are taking the fight
 against insurgents to Ramadi, deploying earlier this month from Baghdad at
 the request of Coalition forces.
- 3. Help Iraqis to Forge a National Compact for Democratic Government Uncertified results indicated that, of the 275 seats in the Council of Representatives, the United Iraqi Alliance won 128 seats, the Kurdish bloc of candidates was second with 53, two separate Sunni blocs garnered 44 and 11 seats and two smaller Sunni Arab-affiliated groups won four seats.
- 4. Help Iraq Build Government Capacity and Provide Essential Services
 Kuwait and Turkey stopped shipping refined fuel products to Iraq on January
 20 and 21 because of growing Iraqi payment arrears.

Highlights



5. Help Iraq Strengthen Its Economy

The Government of Iraq announced on January 23 it had signed a bilateral debt reduction agreement with the Netherlands canceling 80 percent of its Iraqi debt (about \$256 million).

6. Help Iraq Strengthen the Rule of Law

The resumption of Saddam Hussein's trial was abruptly canceled on January 23 and postponed for five days.

7. Increase International Support for Iraq

On January 20, the United Nations issued a positive statement on the December 15 Iraqi Elections.

8. Strengthen Public Understanding of Coalition Efforts and Public Isolation of the Insurgents

President Bush, during remarks to Kansas State University on January 23, affirmed that the coalition strategy will yield victory in Iraq.

[1.] Defeat the Terrorists and Neutralize the Insurgency



Operation Koa Canyon:

 Operation Koa Canyon, a combined Iraqi army and coalition force operation, began last Sunday in the western Euphrates River Valley of Al Anbar Province. The operation's aim is to defeat the insurgency between the Jubbah/Khamal region and the city of Hit.

Coalition and Iraqi Forces Operations Review:

- Attacks across Iraq were down 40 percent last week. In total, there were 386
 attacks throughout the country, down from 582 the week before. Of those
 attacks, about 90 resulted in a casualty. In Baghdad, there was an 80 percent
 reduction in the number of attacks for the same period.
- Forces are conducting cordon and search operations and searching areas of interest for weapons and insurgent activity along the Euphrates River Valley. In the Khamal area, Iraq police are working with Iraq army and coalition forces to conduct security operations, targeting the flow of money and foreign fighters coming into Iraq from Syria, an important pipeline for al Qaeda to transit suicide bombers to Baghdad.

[2.] Transition to Security Self-Reliance – Iraqi Security Forces



Commandos Find New Stomping Ground In Ramadi:

 The 2nd Brigade of the Iraqi Special Police Commandos are taking the fight against insurgents to Ramadi, deploying earlier this month from Baghdad at the request of Coalition forces. The Freedom Brigade – formerly known as the Wolf Brigade – got its start as a self-formed unit designed to fight and arrest terrorists in Iraq after Coalition forces arrived in 2003.

<u>Institute Continues Critical Training</u>:

 Nearly 600 newly trained Iraqi Army leaders in the fields of support and logistics are taking critical skills to the front lines, and the institution that trained them is continuing to expand. Supervisor-level courses include logistics, transport, maintenance, supply, administration and medical fields. Students are awarded certificates as part of the largest graduation of the Iraqi Army Service and Support Institute at Taji Military Training Base.

[2.] Transition Iraq to Security Self-Reliance – Iraqi Security Forces



Ministry of Interior Forces

COMPONENT	TRAINED & EQUIPPED
POLICE	- 92 400
HIGHWAY PATROL	~82,400
OTHER MOI FORCES	~38,000
TOTAL	~120,400*

Ministry of Defense Forces

COMPONENT	OPERATIONAL
ARMY	~105,600
AIR FORCE	~500
NAVY	~800
TOTAL	~106,900**

Total Trained & Equipped ISF:

~227,300

- * Ministry of Interior Forces: Unauthorized absence personnel are included in these numbers
- ** Ministry of Defense Forces: Unauthorized absence personnel are not included in these numbers

 Data as of January 23, 2006 (updated bi-weekly by DOD)

[3.] Help Iraqis to Forge a National Compact for Democratic Government— Developments



IECI Elections Announcement:

 The Independent Electoral Commission of Iraq announced the uncertified results of the December 15 2005 Council of Representatives election. The final certified result will be announced as soon as the political entities and the coalitions who have won compensatory and national seats submit lists of names of their candidates to occupy these seats and appeals are adjudicated.

Uncertified Results:

• Of 275 seats in the Council of Representatives, the United Iraqi Alliance won 128 seats in the December 15 election, 10 votes short of an absolute majority. The Kurdish bloc of candidates was second with 53, based on final, uncertified results. Two separate Sunni blocs garnered 44 and 11 seats in the election. Two smaller Sunni Arab affiliated groups won four seats. The tallies suggest that more Sunnis took part in the December vote after boycotting earlier elections. Election officials said votes from 296 ballot boxes throughout the country were excluded from the total due to irregularities and that 12,396,631 voters cast ballots.

[3.] Help Iraqis to Forge a National Compact for Democratic Government - Iraqi Transitional Government



Deputy President

Sheikh Ghazi al-Yawr

President

Jalal Talabani

Deputy President

'Adil 'Abd al-Mahdi

Deputy Prime Minister

Deputy Prime Minister

Rawsh Shaways 'Abd Mutlak al-Juburi

Prime Minister

Ibrahim al-Ja'fari

Deputy Prime Minister

Ahmad al-Chalabi

Deputy Prime Minister

Vacant

Agriculture	
Ali al-Bahadili	
	_
Minister of	

Minister of

Minister of Communications Juwan Fu'ad Ma'sum (F)

Minister of Culture Nuri al-Rawi

Minister of Defense Sa'dun al-Dulaymi

Minister of Displacement & Migration

Suhayla al-Kinani (F)

Minister of Electricity

Muhsin Shallash

Minister of Education Abdul Mun'im alFalah Hasan

Minister of Environment

Narmin 'Uthman (F) 'Ali 'Allawi

Minister of Finance Minister of Foreign Affairs

Hoshyar Zebari

Minister of Health

Abd al-Muttalib al-Rubay'i

Minister of Higher Education

Sami al-Muzaffar

Minister of Human Rights

Vacant

Minister of Industry & Minerals

Usama al-Najafi

Minister of Interior

Bayan Jabr

Minister of Justice

ʻAbd al-Husayn Shandal

Minister of Housing & Construction

Jasim Ja'far

Minister of Labor & Social Affairs

Idris Hadi

Minister of Oil

Ibrahim Bahr al-Ulum

Minister of Planning

Barham Salih

Minister of Trade

'Abd al-Basit Mawlud

Minister of Science & Technology

Basima Butrus (F)

Minister of Municipalities & Public Works

Nasreen Berwari (F)

Minister of Transportation Salam al-Maliki

Minister of Water Resources

'Abd al-Latif Rashid

Minister of Youth & Sports

Talib Aziz al-Zaini

Minister of State for Civil Society

'Ala' abib Kazim

Minister of State for National Assembly Affairs

Safa' al-Din al-Safi

Minister of State for National Security Affairs

'Abd al-Karim al-'Anzi

Minister of State for Provinces

Sa'd al-Hardan

Minister of State for Tourism and Antiquities Hashim al-Hashimi

Minister of State for Women's Affairs

Azhar al-Shaykhli (F)

(F) = Female

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[4.] Help Iraq Build Government Capacity and Provide Essential Services – Financials from Iraq Relief and Reconstruction Fund (IRRF) 1 and IRRF 2



\$Millions	Apportioned		Committed			Obligated			Disbursed		
Sector	2207 Report	Apportion	Last Veek	Current	Change	Last Veek	Current	Change	Last Veek	Current	Change
Security and Law Enforcement	5050.60	5050.60	4,946.3	4,943.9	(2.31)	4,772.8	4,792.7	19.89	4,146.0	4,171.1	25.1
Electricity Sector	4309.82	4077.22	3,738.7	3,738.7	(0.06)	3,118.5	3,125.9	7.34	1,816.2	1,838.8	22.5
Oil Infrastructure	1723.00	1723.00	1,688.5	1,685.6	(2.84)	1,404.6	1,405.3	0.63	687.8	891.5	3.8
Justice, Public Safety and Civil Society	1251.15	1251.15	1,215.0	1,219.0	3.65	1,105.2	1,109.2	4.04	684.5	686.0	15
Democracy	1033.85	1033.85	973.7	973.7	0.00	973.4	973.4	0.00	651.2	653.4	2.2
Education, Refugees, Human Rights, Governance	383.00	383.00	342.0	342.0	0.00	337.7	337.7	0.00	217.9	219.5	1.6
Roads, Bridges and Construction	333.72	333.71	290.6	290.6	0.00	262.2	262.4	0.14	160.2	160.6	0.4
Health Care	739.00	739.00	727.3	7317	4.46	634.1	638.5	4.33	373.0	383.6	10.6
Transportation and Communications	470.51	470.51	425.3	425.2	(0.07)	375.5	375.5	0.00	214.1	218.4	4.2
Vater Resources and Sanitation	2131.08	1819.08	1,586.1	1,586.1	0.04	1,433.3	1,434.2	0.95	718.1	749.9	31.8
Private Sector Development	800.28	800.28	793.5	793.5	0.00	782.3	782.3	0.00	558.2	558.7	0.6
Admin Expense (USAID, STATE)	213,00	213.00	152.5	152.5	0.05	152.5	152.5	0.05	57.6	57.8	0.3
TOTAL	18439.00	17894.40	16,879.8	16,882.7	2.93	15,352.1	15,389.5	37.38	10,284.8	10,389.4	104.7
IRRF 2 Construction			9,632.1	9,629.6	(2.52)	8,455,3	8,459.7	4.43	5,156.1	5,227.7	71.6
IRRF 2 Non-Construction			6,273.9	6,279.4	5.44	5,923.4	5,956.4	32.96	4,477.4	4,508.3	30.9
IRRF 2 Democracy			974.2	974.2	0.01	973.5	973.5	0.01	651.2	653.4	2,2
IRRF 1 Subtotal	2473,30	2473.30	2,473.3	2473.30	0.00	2,473.3	2,473.3	0.00	2,406.6	2,406.6	0.0
Grand Total IRRF 1 & 2	20912.30	20367.70	19,353.1	19,356.0	2.93	17,825.4	17,862.8	37.38	12,691.4	12,796.0	104.7

As of January 25, 2006

[4.] Help Iraq Build Government Capacity and Provide Essential Services – Electricity Overview



Daily Electricity Supplied and Estimated Demand in Iraq Since January 2004



- Electricity availability in Baghdad remained critically low, despite a slight improvement in the last week (January 17-23) to an average of 4.4 hours per day. The low availability continues primarily due to interdictions of critical transmission lines and poor performance by Baghdad area power plants.
- Nationwide average electricity availability was 9.4 hours per day.
- Despite the decreased levels, electricity output for the month of January is on average 13 percent higher than it was a year ago.

[4.] Help Iraq Build Government Capacity and Provide Essential Services –Water, Sanitation and Education



Water and Sanitation:

- On January 14, an Iraqi construction company completed construction on a USG funded \$104,000 Water Treatment Plant project in Lutifiya, Baghdad Province. This project will benefit more than 100,000 residents in this district.
- In partnership with UNICEF, USAID is working to restore bathrooms, drinking fountains, and other facilities at schools across Iraq. Water and sanitation facilities at 439 schools have been rehabilitated. An additional 224 school renovations are in progress, while a further 102 schools are currently in the bidding and solicitation process.

Education:

- Over 300 teachers will receive instruction in modern teaching methods. These 300 instructors, trained by USAID partners, will provide pedagogy training to at least 18,000 teachers throughout Iraq.
- Over 14,000 students have enrolled in the 2005/06 Accelerated Learning Program
 (ALP). A total of 148 schools have opened ALP classes throughout the southern
 and central provinces. The training of ALP school teachers in nine provinces was
 completed last month, bringing instruction to 730 teachers. Printing of the 52
 Arabic titles of ALP textbooks has been completed; Kurdish versions are being
 printed with cooperation from the Department of Kurdish Studies within the
 Ministry of Education.

[4.] Help Iraq Build Government Capacity and Provide Essential Services – Public Health, Healthcare and Transportation



Public Health and Healthcare:

- Four of the completed five USG-funded primary healthcare centers (PHCs) have been handed over to the Ministry of Health, while the fifth is expected to be transferred next week. A sixth PHC is 90 percent complete. Once open for patient care, these PHCs will improve health care access for approximately 100,000 people in remote and underserved areas. UNICEF and USAID provided equipment for the PHCs to include vision testing charts, examination lights and tables, labor/delivery beds, obstetric surgical kits and Doppler fetal heart detectors.
- With support from UNICEF and USG funding, the Ministry of Health is providing outreach and training on Phase II of the Infant and Young Child Feeding (IYCF) Strategy. The IYCF Strategy is a guide for prevention and management of undernourishment in infants and children. Training is underway in Baghdad and southern governates, while preparations for the northern governates include printing the IYCF Strategy in Kurdish.

[5.] Help Iraq Strengthen Its Economy – Oil Update and Job Creation



Oil Update:

- Crude oil prices in world markets for the week ending January 20 closed with the following prices:
 - Basra Light at \$57.14/barrel

– Dated Brent at \$64.45/barrel

WTI Cushing at \$66.81/barrel

- Oman/Dubai at \$59.35/barrel

Kirkuk Crude at \$59.73/barrel

Employment Update:

• The following chart shows the number of Iraqis employed by USG-administered projects:

Employing Organization	Iraqis Last Week	Iraqis This Week	% Increase on Week	
PCO (Project and Contracting Office)	36,117	36,117	0.0%	
USAID	48,549	48,975	0.9%	
AIRP (Accelerated Iraqi Reconstruction Program)	1,268	1,268	0.0%	
MILCON (Military Construction)	148	148	0.0%	
CERP (Commanders' Emergency Response Program)	0	0	0.0%	
MNSTC-I	17,599	15,388	-12.6%	
IRRF NON-CONSTRUCTION	15,765	15,765	0.0%	
GRAND TOTAL	119,446	117,661	-1.5%	

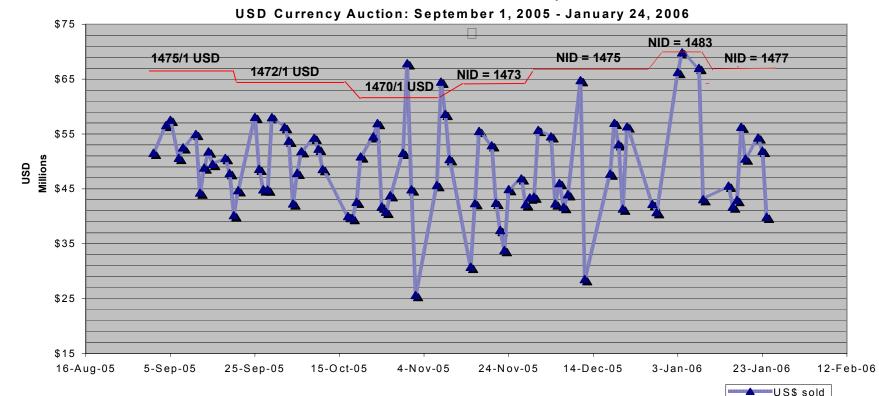
[5.] Help Iraq Strengthen Its Economy - Banking Sector



Central Bank's US Dollar (USD) Currency Auction:

• The following table shows volume sold and exchange rates for USD in the Iraqi currency auction from September 1 through January 24, 2006. The dinar appreciated slightly against the dollar this week, ending at 1,476 dinars per USD on January 24.

Central Bank of Iraq



*On January 8, the CBI purchased \$1,320,000 of Iraqi Dinars at the exchange rate of 1481 NID/\$.

*The NID exchange rate line is calculated as a weekly weighted average.

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[5.] Help Iraq Strengthen Its Economy



The Netherlands Cancels 80 Percent of its Iraqi Debt:

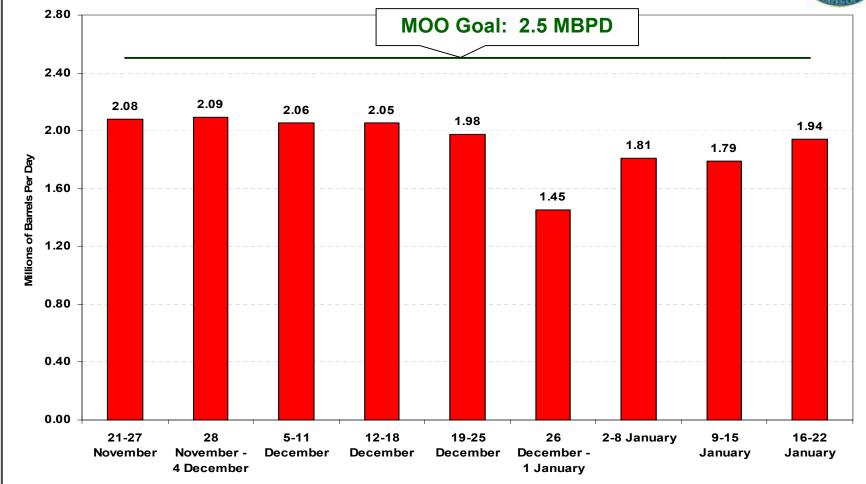
- The Government of Iraq announced on January 23 it had signed a bilateral agreement with the Netherlands canceling the equivalent of \$256 million of Iraqi debt, amounting to 80 percent of the Netherlands' claims against Iraq.
- Prior to this agreement, the claims of the Dutch government against Iraq totaled approximately \$320 million. When fully phased in, the agreement signed today will reduce this debt stock to approximately \$64 million.
- The UK also signed a similar bilateral agreement late last week, which has been sent to the Iraqis for official signing on January 25.

<u>Iraq Successfully Concludes Commercial Debt Exchange</u>:

• The Ministry of Finance restructured \$14 billion worth of commercial claims (about 60 percent of total commercial debt) as \$2.7 billion of new sovereign bonds (technically Eurobonds), which mature in 2028 and carry a coupon of 5.8 percent. Formal trading begins January 26, but in the last week the bonds, which had traded on the gray market between 10.75 to 11 percent, dropped to 9.87 percent (comparable with Ecuador) indicating that the market has strong interest. Iraq Finance Minister Allawi, however, does not expect Iraq to borrow regularly from the international bond market until at least 2008.

[5.] Help Iraq Build Government Capacity and Provide Essential Services – Crude Oil Production





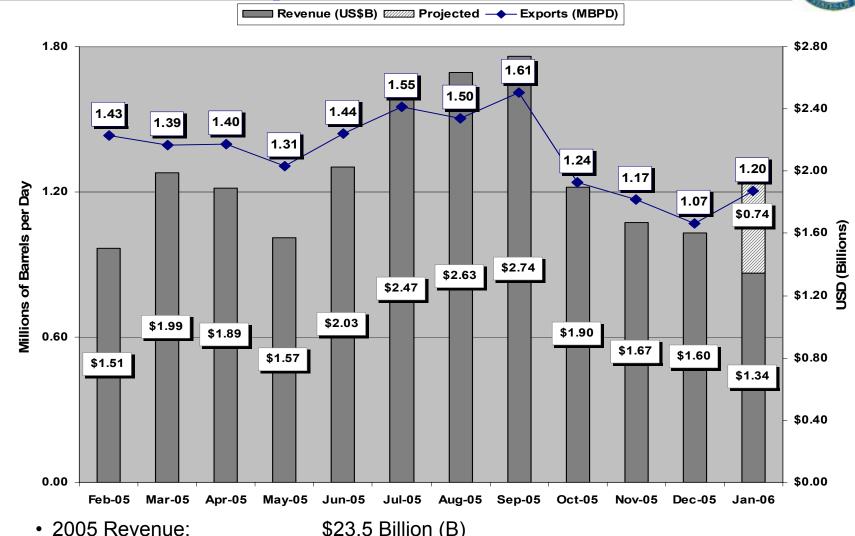
• Weekly Average (January 16-22) of 1.94 Million Barrels Per Day (MBPD) Production — Target

• Pre-War Peak: 2.5 MBPD in March 2003

Post-War Peak: 2.67 MBPD

[5.] Help Iraq Build Government Capacity and Provide Essential Services - Crude Oil Export



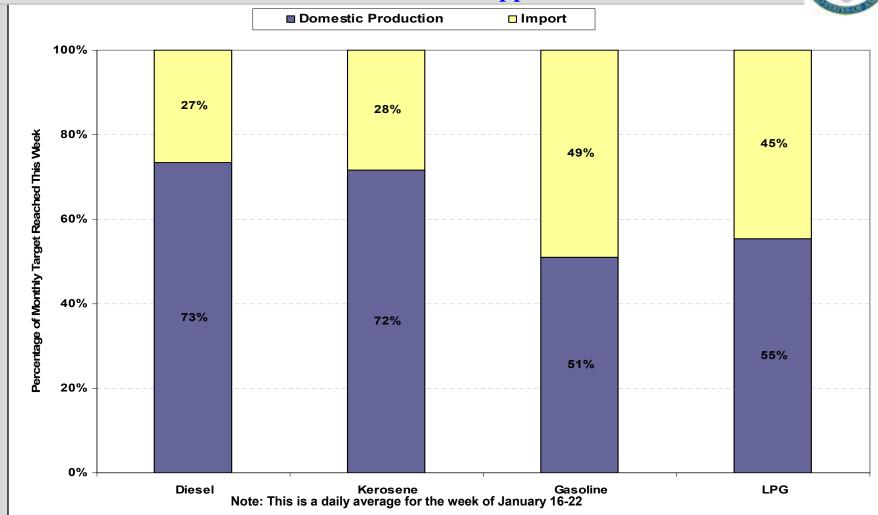


\$23.5 Billion (B)

\$1.3 B (Year to Date)

[5.] Help Iraq Build Government Capacity and Provide Essential Services – Total Critical Refined Product Supplies

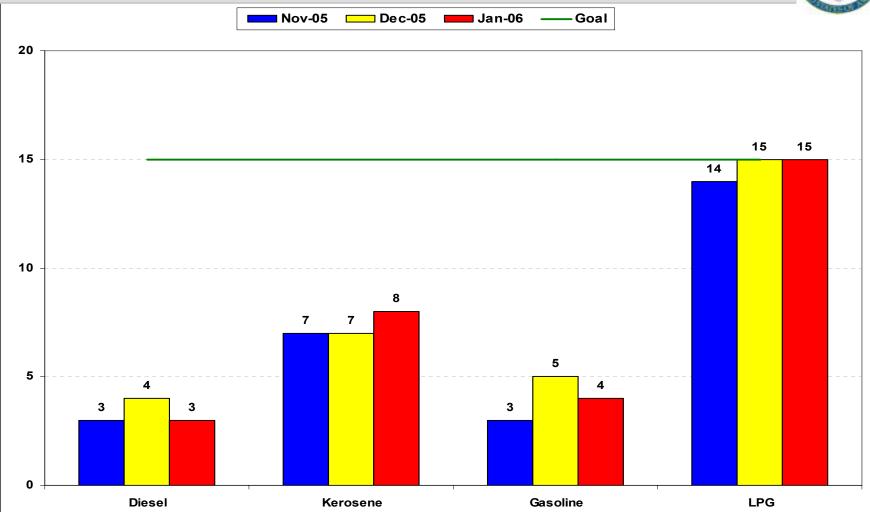




- Diesel: 15.7 ML supply of 18 ML target
- Kerosene: 7.3 ML supply of 10.5 ML target
- Gasoline: 21.2 ML supply of 22 ML target
- LPG: 3,376 tons supply of 4,300 tons target

[5.] Help Iraq Build Government Capacity and Provide Essential Services – National Stock Levels





 The goal is to have on hand 15 days supply of all refined products, calculated on the basis of maximum consumption over the year and not adjusted for seasonal variation. The numbers given above are monthly averages.

[6.] Help Iraq Strengthen the Rule of Law and Promote Civil Rights— Iraqi Judicial System



Saddam Trial Delayed:

 The resumption of Saddam Hussein's trial was abruptly canceled on January 23 and postponed for five days in the latest turmoil to plague the court. Spokesman Raid Juhi blamed the delay on witnesses who failed to appear, because they were performing the Hajj pilgrimage to Saudi Arabia.

[7.] Increase International Support for Iraq – Developments



<u>UN Secretary General Praises Preliminary Results of Iraq Elections</u>:

- On January 20, the United Nations issued the following statement on the December 15 Iraqi Elections:
 - "The Secretary General welcomes the announcement by the Independent Electoral Commission of Iraq (IECI) of the preliminary results of the December 15 elections. The Secretary-General pays tribute to the courage and determination of the Iraqi people for participating in large numbers in this national election. Once the final results are announced, the Secretary General calls upon all Iraqi political parties to come together in a spirit of national reconciliation to form an inclusive and fully representative government that will serve all the Iraqi people. The Secretary General is pleased that the United Nations has been able to support the IECI in conducting the two national elections and constitutional referendum of the past year under challenging circumstances. The United Nations remains fully committed to implementing its mandate under Security Council resolution 1546 in support of the Iraqi people in their efforts to build a peaceful, prosperous, democratic and united Iraq."

[7.] Increase International Support for Iraq – Developments



NATO Trains Over 1,000 Iraqi Officers:

In 2005, NATO's Training Mission in Iraq trained 1,000 mid- and senior-level officers in country, and close to 500 in NATO facilities in Europe. "The Alliance aims to achieve the same results in 2006," said NATO Spokesman James Appathurai. NATO trainers have been working in Iraq since August 2004, as part of the Alliance's support for the development of the country's security institutions.

<u>Italian Minister of Defense Announces Troop Change for Iraq:</u>

On January 19, the Italian Minister of Defense, Antonio Martino, told the Italian Parliament that Italy would withdraw about 1,000 of its 2,600 troops from Iraq by June and that the Italian military mission in Iraq will conclude by the end of 2006. Martino also said Italy is in "a condition to assume responsibility for the leadership and management of a possible future reconstruction team in Dhi Qar province."

[7.] Increase Int'l Support for Iraq – Contributors to Iraqi Stability Operations



Data as of January 20, 2006

26 Multi-National Forces – Iraq (MNF-I) Contributors (in addition to US)

Albania

El Salvador

Lithuania

Romania

Armenia

Estonia

Macedonia

Slovakia

Australia

Georgia

Moldova

South Korea

Azerbaijan

Italy

Mongolia

Ukraine

Bosnia-Herzegovina

Japan

Netherlands

UK

Czech Republic

Kazakhstan

Poland

Denmark

Latvia

Portugal

TOTAL ~ 21,000 Forces

*Note: Fiji participating as a part of the UN mission in Iraq.

29 Countries and NATO

(including US)

Support Iraqi Stability Operations

[8.] Strengthen Public Understanding of Coalition Efforts and Public Isolation of the Insurgents — Developments



Strategic Communications:

- President Bush, during remarks to Kansas State University on January 23, affirmed that the coalition strategy will yield victory in Iraq. "[T]he definition of success, by the way, is for there to be a country where the terrorists and Saddamists can no longer threaten the democracy, and where Iraqi security forces can provide for the security of their people, and where Iraq is not a safe haven from which the terrorists -- al Qaeda and its affiliates -- can plot attacks against America. We got a strategy, and I'm going to keep talking about the strategy -- it will yield a victory."
- Vice President Cheney emphasized during his remarks at the Manhattan Institute for Policy Research on January 19 that "our strategy in Iraq is clear, and our tactics will remain flexible." Our military efforts "are bringing us closer to the goal we share with Iraq's leaders: a democratic country that can defend itself; a nation that will never again be a safe zone for terrorists; and a model for peaceful democratic reform in a troubled region. When that goal is achieved, all of us will live in a safer world. Our strategy in Iraq is clear, our tactics will remain flexible; we'll keep at the work until we finish the job. Progress has not come easily, but it has been steady."

[8.] Strengthen Public Understanding of Coalition Efforts and Public Isolation of the Insurgents — Developments



Strategic Communications:

- Ambassador David Litt, Political-Military Counselor at US Embassy, Iraq noted on MSNBC's "Live" on January 21 that the Sunni participation in forming an Iraqi government is a 'very positive step.' "We think that the Sunni participation in forming a future government is a very, very positive step. I think it's an indication to the Iraqis in general, to the Sunni-Arabs, in particular who came out to vote in huge numbers that...political participation is the best way for them to realize their interests and their goals in the new Iraq."
- Major General Thomas Turner, the Commander of Multinational Division North and the 101st Airborne Assault Division stressed that "Iraqi soldiers and policemen are in the fight every day," during the Pentagon Press Briefing on January 20. "These units have made tremendous progress in their training and the ability to provide the citizens of Iraq the security they deserve. Iraqi soldiers and policemen are in the fight every day. They're risking not only their lives, but often the lives of their families for the security of their fellow citizens. Iraqi citizens are also stepping forward in the fight to secure their country. Tips from concerned Iraqis to both Iraqi security forces and coalition forces have led to the discovery of numerous weapons caches and IED-making materials. ... Working together, we will support the continued progress toward a democratic Iraq."

Iraq Weekly Status – General Information



 This brief draws from multiple sources. References are cited on the following pages.

Please forward all questions and/or comments to <u>NEA-I-IPOG-DL@state.gov</u>

Notes and Source Citations (1 of 4)



Slide 5:

- MNF-I Press Release Transcript Jan. 22, 2006 http://www.mnf-iraq.com/
- MNF-I Release Transcript Jan. 22, 2006 http://www.mnf-irag.com

Slide 6:

MNSTC-I Headlines – January 24, 2006

Slide 7:

DoD Input to Iraq Weekly Status Report 25 Jan 06

Slide 8:

- POC: Victor Hurtado, Dept. of State, 202-647-5281
- http://www.ieciraq.org/English/Frameset_english.htm

Slide 10:

The IRRF Financial Chart is sourced from the 25 Jan 06 IRMO Weekly Status Report

Slide 11:

- POC Tom Gramaglia, (202) 736-4065
- The chart shows average daily power production in megawatt hours (MWh). 120,000 MWh goal equates to 20 hours at 6000 MW average supplied load or 24 hours at 5000 MW average supply load. Currently supplies are not much improved over last year when judged by hours of power, but this is due in part to an influx of new appliances. This has dramatically altered demand and diluted the effect of increased generation capacity on actual results.

Slide 12:

- USACE Reconstruction update 23 January 2006.
- USAID Reconstruction update 20 January 2006.
- USAID Reconstruction update 20 January 2006

Slide 13:

- PCO weekly reconstruction update10 January 2006.
- PCO weekly reconstruction update 24 January 2006.

Slide 14:

- Oil Prices are sourced from Bloomberg
- Information regarding the Employment Update was sourced from the IRMO Weekly Report January 25, 2006
- CERP has not reported figures for some time. Until they report accurate data, the number will remain at 0.
- PCO will be reporting on a bi-weekly basis.

Notes and Source Citations (2 of 4)



Slide 15:

Information regarding the NID auction was gathered from the Central Bank of Iraq's website: http://www.cbiraq.org

Slide 16:

- BUSINESS WIRE January 23, 2006
- Information regarding the Conclusion of Commercial Debt Exchange and the NEC recommendation was sourced from the Iraq Daily Report, January 23, 2006.

Slide 17:

- POC Matthew Amitrano, (202) 647-5690
- NOTE: Production dropped in the south due to tankers unable to dock at the oil terminals due to bad weather and southern storage facilities are at full capacity. With no where to send the crude, field managers have lessened output. As of Monday, the weather cleared and the situation should return to normal in a matter of days.
- Iraq Petroleum Sector Facts
- There are three main refineries in Iraq: Bayji (North), Daura (Baghdad), and Basra (South).
- There are several minor refineries (known as topping plants) dotted through the country: Kisik (Mosul), Qarrayah, Haditha, Tikrit, Nassiriyah, Maysan (Amarah), and Samawah. These primarily produce asphalt and low grade kerosene and diesel.
- The majority of Iraq's oil infrastructure is antiquated and in need of modernization.
- Domestically produced refined products (gasoline/benzene, diesel, kerosene, LPG) currently do not meet domestic demand because of sabotage to the pipeline infrastructure. Iraq will be dependent upon imports until the insurgents cease operations against oil pipelines.

Notes and Source Citations (3 of 4)



Slide 18:

- -2003 = \$5.08 billion
- -2004 = \$17.5 billion
- Projected revenue implies if the current export rate held for the entire month.
- Al-Faw Terminals: Al-Basra Oil Terminal (ABOT) and Khor al-Amaya Oil Terminal (KAOT)
 - Production and export are at normal rates.
- Iraq-Turkey Pipeline (IT)
 - •The IT line works intermittently since the Iraqis sell the crude oil in lumps.
- Iraq-Syria-Lebanon Pipeline (ISLP)
 - •This line has been closed since 2003.
 - •Discussions were held between Iraqi and Syrian government officials, but no timetable has been set up to reopen this line.
 - •In the meantime, Iraq has set up a barter arrangement in which it exports 14KBPD from the Ayn Zalah field to Syria for refined products and electrical production.
- Iraq Pipeline through Saudi Arabia (IPSA)
 - •This line has been closed since 1991. There are no plans to reopen this line.

Slide 19:

- POC Matthew Amitrano, (202) 647-5690
- Note: Data missing from Sept 2-4. This graph will be updated when the data arrives.
- Goals set by the State Oil Marketing Organization (SOMO), a company owned by the Ministry of Oil (MOO).

Slide 20:

- POC Matthew Amitrano, (202) 647-5690
- Note: Data missing from Sept 2-4. This graph will be updated when the data arrives.

Slide 21:

HAMZA HENDAWI and QASSIM ABDUL-ZAHRA, AP Report, <u>Judge Shake-Up Delays Saddam Trial</u>

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